

HENDERSON COUNTY SCHOOLS

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Dr. Bob Lawson, Superintendent



To: Bob Lawson, Superintendent and School Board Members
From: Jinger Carter and Cindy Cloutier
Date: June 17, 2024
Re: Alternate Sick Leave Program

We are writing to respectfully request that the Board consider electing the Alternate Sick Leave Program for classified employees in our school district.

In addition to the benefits of reduced employee absenteeism and turnover, increased employee morale and job satisfaction, and attracting and retaining high-quality employees, electing the Alternate Sick Leave Program would also provide classified employees with the opportunity to earn retirement contributions and retirement credit for their sick leave accrual.

This means that classified employees would be able to:

- Earn retirement contributions on their sick leave accrual, providing them with a more secure retirement future
- Receive retirement credit for their sick leave accrual, allowing them to retire sooner or with a higher retirement benefit

Electing this program would have a positive impact on our employees with minimal cost to the Board.

Thank you for considering our request.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jinger Carter', is written over the typed name.

Jinger Carter, Director of Human Resources

A handwritten signature in blue ink, appearing to read 'Cindy Cloutier', is written over the typed name.

Cindy Cloutier, Director of Finance



KENTUCKY PUBLIC PENSIONS AUTHORITY

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Print Form

Form 7030
Revised 05/2010

Order of Participation
Alternate Unused Sick Leave Program
KRS 78.616 (2)(5)

Whereas, the Governing Body of Henderson County Board of Education
is aware of the provisions established under Chapter 78 to permit participating employers in the County Employees Retirement System to purchase service credit for unused sick leave for their employees at the time of termination.

Whereas, the Governing Body of the Agency is aware of the fact than an established sick leave program, universally administered by the employer for their employees, is a requirement for participation in the program.

Whereas, the Governing Body of this Agency is aware that participation in this program is at the option of each employer participating in the County Employees Retirement System.

Now therefore, be it resolved, that this Agency be and is hereby authorized to participate in the Alternate Unused Sick Leave Program as provided for in the County Employees Retirement System effective July 1, 2024.

Further be it resolved, that this agency elects to participate under the "Alternate" plan as provided below:

A. Employees may accumulate an **unlimited** amount of unused sick leave days,

or

Employees may accumulate unused sick leave up to a maximum of 300 days.

B. hours equal one (1) unused sick leave day. -Maximum number of hours for a classified
Unused sick leave day will be 8 hours. Contracts vary.

C. The following factors are certified by the Agency to be used uniformly in determining the daily rate for unused sick leave compensation. The daily rate will be determined by taking the hourly rate x contract scheduled hours x 30%. This rate will then be multiplied by the number of unused sick leave.

Certification:

I do hereby certify that the above is a true and correct copy of an Order adopted by the Governing Body of the above-named Agency.

Signature: _____

Date: 6/17/2024

Title: Superintendent/Board Chairman

ALTERNATE SICK LEAVE PROGRAM



NOTICE

The Alternate Sick Leave Program is only available to CERS employers.

The Alternate Sick Leave program allows a CERS employer to compensate an employee for as many unused sick leave days as the employer's personnel policy provides. The employer must withhold and submit employer and employee contributions and report it as a separate record on the Monthly Report.

CERS EMPLOYERS – PARTICIPATION AND SERVICE CREDIT

CERS employers can join the program by adopting the Form 7030, Order of Participation Alternate Unused Sick Leave Program. Once an employer elects to participate they must universally administer the program based on their personnel policy in conjunction with statute. An employer sets the number of sick leave days that their employees may accrue and/or use at termination in their personnel policy; but the policy must be on record with KPPA stating the limitations and allowances.

The money paid to the member for their unused sick leave is used in determining final compensation and the service is also used to increase the member's service credit when the member retires. For more information on converting days to months, please refer to the Sick Leave Chart. Sick leave service credit for Tier 1 members counts toward retirement eligibility and health insurance benefits. Tier 2 members may receive a maximum of 12 months of service credit for unused sick time. The sick leave service credit for these members does not count toward retirement eligibility or health insurance benefits.

 [PDF LINK](#)
[Sick Leave Chart](#)



[Read more about Tier 1 Sick Leave Credit](#)



[Read more about Tier 2 Sick Leave Credit](#)

CERS employers should contact their ERCE representative to discuss adopting a Sick Leave Program or making changes to their personnel policy.



Once an employer participates in the Alternate Sick Leave program, they cannot exit the program. CERS employers may alter their personnel policies, but should do so with assistance from their ERCE representative to fully understand the statutory requirements.

CERS EMPLOYERS – COST TO EMPLOYERS

There is no additional cost outside of the direct payment to the employee and contributions submitted to KPPA for the sick leave payment.

- CLASSIFIED PERSONNEL -**Retirement****NOTICE**

Persons retiring should give the Superintendent notice as far in advance as possible but not less than two (2) weeks prior to retirement.

UNUSED SICK DAYS

At the time of initial retirement and under provisions of [KRS 161.155](#) (10), the Board shall compensate classified employees, or their estate, for unused sick days at the rate of thirty per cent (30%) of the daily salary rate for each unused sick day. For personnel who begin employment with a local school district on or after July 1, 2008, unused sick leave days to be recognized in calculating reimbursement under [KRS 161.155](#) shall not exceed 300 days.¹ This calculation shall be based on the employee's last annual salary. Upon death of an employee in active contributing status who was eligible to retire by reason of service, the District shall compensate the estate of the employee.

RETIREMENT DEFINED

1. Retirement shall mean retirement from the County Employees' Retirement System based on the provisions mandated by the County Employee's Retirement System; or
2. Retirement shall mean retirement from the Henderson County School System for those employees who are not a contributing member in the County Employee's Retirement System based on work hours or if the employee opted out of the County Employee's Retirement System in 1976. The following guidelines must apply before receiving the unused sick leave pay:
 - Early Retirement: Age fifty-five (55) with at least five (5) years or sixty (60) months of service credit.
 - Normal Retirement: Age sixty-five (65) or twenty-seven (27) years of service credit.

ESCROW ACCOUNT

The Board shall create an escrow account to maintain the funds necessary to reimburse employees who qualify for the retirement benefit.

REFERENCES:

¹[KRS 161.155](#)
29 U.S.C. 631
[KRS 61.545](#); [KRS 78.616](#); [KRS 157.420](#)
[OAG 81-72](#); [OAG 83-191](#); [OAG 97-28](#)

RELATED POLICY:

03.2232

Adopted/Amended: 7/18/2011

Order #: 215